



City of Hollywood

Hollywood City Hall
2600 Hollywood Blvd
Hollywood, FL 33020
<http://www.hollywoodfl.org>

Legislation Text

File #: R-2018-046, **Version:** 1

A Resolution Of The City Commission Of The City Of Hollywood, Florida, Approving And Authorizing The Appropriate City Officials To Execute The Attached Application For Vehicle Finance Agreement With Americredit Financial Services, Inc., D/B/A General Motors (GM) Financial For The Purchase Of Vehicles For Hollywood Police Department At A Cost Of \$1,904,186.40.

Staff Recommends: The approval of the attached Resolution.

Explanation:

The Hollywood Police Department requires forty eight (48) new vehicles to replace a portion of their aging fleet, these vehicles provide support to the City's Law Enforcement Operations.

Currently, the Police Fleet is aging and vehicles are exceeding their useful operational life expectance. General Motors (GM) Financial offers financing for vehicle purchasing agreements, therefore, we can obtain more vehicles with the limited available funding through this creative and financing mechanism and spread the cost over a longer time frame via this agreement.

These vehicles will be purchased under the GM Financial agreement from Alan Jay Florida Sheriff's Association Bid # FSA17-VEL25.0 & FSA17-VEH15.0. Based on Section 14 of the State of Florida Master Amendment that states upon the City's acceptance of a vehicle, title to such equipment shall vest in the City. Description and explanation outlined as follow:

Section 14. Title to Equipment; No Security Interest.

Upon Lessee's acceptance of any Equipment under a Lease, title to such Equipment shall vest in Lessee, subject to Lessor's rights under such Lease; provided, however, that Lessor shall have no security interest therein. Notwithstanding the obligations of Lessee to pay Rental Payments under a Lease, no Lease shall result in the creation of any lien, charge, security interest or other encumbrance upon the Equipment, and Lessor shall have no right to involuntary dispossess Lessee of the use and enjoyment of or title to the Equipment

The vehicles to be purchased are three (3) 2018 Toyota Camry 2532 for the Investigation & Support Services Bureau, forty-four (44) 2018 Chevy Tahoe 1500 Police 9C1 and one (1) 2018 Chevy Tahoe 1500 Police 9C1 - 2 Wheel Drive (WD) for the Patrol Services Bureau.

The pricing and financing term for these vehicles is at an interest rate of 3.860 % for a total of five (5)

years bringing the total amount to \$1,904,186.40 which includes \$1,767,810.00 as principal and \$136,376.40 as interest, payment schedules as follow:

Payment 1	2/12/2018	\$380,837.28
Payment 2	2/12/2019	\$380,837.28
Payment 3	2/12/2020	\$380,837.28
Payment 4	2/12/2021	\$380,837.28
Payment 5	2/12/2022	\$380,837.28

The vehicles to be replaced will be auctioned through the City's auctioneer service for resale.

The City's Purchasing Ordinance, Section 38.40 (C)(5) allows the Director to procure, without following formal procedures, all goods and services which are subject of contracts with the state, its political subdivisions, the United States government, other governmental entities, or a corporation not for profit whose members are governmental entities, public officers, or any combination thereof, provided however, the goods and services are: (i) the subject of a price schedule negotiated by the state or the United States government, or (ii) the subject of a contract with another governmental entity or a corporation not for profit whose members are governmental entities, public officers, or any combination thereof, which contract is based strictly on competitive bids or competitive proposals and not on any preference.

The Director of Public Works, the Police Chief, and the Director of Procurement Services recommend that the City Commission approve the execution of the General Motors Financial agreement for vehicle financing for the purchase of forty-eight (48) vehicles to support Police Operations for a five (5) year period for an estimated annual amount of \$1,904,186.40.

Funding for this agreement has been appropriated and exists in account number 57.5100.18106.590.036452.

Recommended for inclusion on the agenda by:

Dr. Wazir A. Ishmael, City Manager

Mel Standley, ACM, Public Safety

Sylvia Glazer, Director, Public Works

Tomas Sanchez, Chief, Police

Paul A. Bassar, Director, Procurement & Contract Compliance